



CASE STUDY: 20 ROOM HOTEL, WAIRARAPA

GOALS

1. Fully optimise online presence with key third-party booking agents
2. Increase room revenue through effective yielding
3. Avoid sacrificing rate during winter months

CHALLENGES

These clients came to us with plenty of online experience however, were new to the accommodation industry and very keen to partner with Rooms Online to learn more about revenue management. They had the right mindset and knew they wanted to achieve the highest yield or rate they could based on supply and demand. They were focusing on revenue over occupancy however, they weren't confident that they were executing the best strategy themselves and therefore sought our expertise.

At the time of joining us, our client was unsure exactly which third-party sites they were listed on and they really needed a complete audit and update to have their best foot forward. The sites hadn't been updated for some time so they weren't fully optimised.

They inherited the previous owners seasonal rack rates, and discount rates for groups. They had some contracted inbound tour operator/wholesale rates in place, and due to having a low base over winter had simply decreased rates during this time.

RESULTS

This client has been working with Rooms Online for a period of 6 months at the time we analysed these results. The comparisons are reflective of the same time of year prior to working with Rooms Online vs. the months of working with Rooms Online, i.e. year on year data.

Prior to Rooms Online (01 Jun 2017-07 Dec 2017)		With Rooms Online (01 Jun 2018-07 Dec 2018)	
Room Revenue	\$430,003.50	Room Revenue	\$463,488.08
Average Daily Rate (ADR)	\$178.63	Average Daily Rate (ADR)	\$217.81

- Room revenue growth with Rooms Online (June-Dec 2018 vs June-Dec 2017): \$33,484.58
- Cost of Rooms Online services during this time: \$3,393.65 inclusive of GST
- Average rate growth YOY: \$39.18

REVENUE MANAGERS COMMENTS

"We've made significant increases in room rate and as a result have seen positive revenue increase with less room nights (and costs).

We used promotions strategically when required to increase visibility without sacrificing on bottom-line results. We helped the client track down rate parity issues caused by wholesalers, and we've introduced and manage minimum night stay restrictions weekly if needed"

LAURA BROWN, REVENUE MANAGER

